



RiseSmart

Putting America Back to Work

for a new job frustrating, and not as efficient as it should be.

“During my job search, I was spending probably 30 or 40 hours per month signing up on job boards, recruiter sites and corporate sites. When I used one of the aggregator sites, I would receive literally thousands of results for a search term like ‘vice president of marketing’ and most of these results were poor matches,” Sathe said. “This whole exercise was incredibly inefficient — going across a multitude of websites, and a multitude of pages within each site, looking for that needle in the haystack.”

Sathe decided to create a company that would search job listings on jobseekers’ behalf, delivering only the best matches. That was the genesis of RiseSmart.

Since its founding, the company has helped thousands of laid-off workers find jobs during a difficult economy, while turning the dominant business model for corporate outplacement services on its head.

A Single, Simple Focus

To understand why RiseSmart is a disruptive force in the \$3 billion outplacement industry, it is important to understand a bit about the industry’s history.

The outplacement industry emerged in the 1960s, when mass layoffs were becoming common for the first time. It was an era when many employees expected to work for a single employer their whole lives, and losing a job was a severe psychological blow. Traditional outplacement consultants focused on helping employees psychologically through the transition. They concentrated on providing counseling to assist employees in coming to terms with losing their jobs and on providing a soothing office environment where employees could feel comfortable while making networking calls.

More than 40 years later, such services remain the foundation of the vast majority of outplacement programs.

Sathe knew that this approach was out of sync with the times. Most laid-off employees today don’t want to be stroked and coddled, according to Sathe; they just want a new job — and they want it as quickly as possible.

That single goal — to put laid-off employees back to work faster — has been Sathe’s mantra and driving focus since founding RiseSmart.

It’s what led to the development of Transition Concierge, RiseSmart’s flagship outplacement solution. The solution is powered by a technology platform that combines proprietary software with human filtering to identify “hyper-relevant” job leads for laid-off workers.

By eliminating the need for laid-off workers to search job boards themselves, RiseSmart saves the average jobseeker about 50 hours per month in frustrating manual searches, according to a study by Kelton Research.

Laid-off workers in Transition Concierge receive a host of other services and support, including one-on-one assistance from HR specialists, help in writing resumes and social network profiles, and more. Jobseekers can manage all aspects of their job search, from coordinating their interview schedules to applying for jobs, from their Transition Concierge portals.

Getting Employers on Board

Sathe’s outplacement solution not only has heart; it has brains as well. The genius in Sathe’s approach is that he has been able to convince Fortune 500 and midsize employers that, with proper focus and leveraging of technology, outplacement no longer has to be a cost burden to them. In fact, it can generate a significant return on investment.

RiseSmart developed an ROI model that showed employers how they could dramatically reduce their unemployment insurance tax burdens, severance payments, COBRA expenditures and other costs by accelerating the time-to-placement for their transitioning workers.

Mark Squiers, an executive of ACS, a RiseSmart customer, praised the company’s focused, tech-savvy business model:

“This is a new model for transition services, one that is geared to providing strong returns for both employers and employees. By eliminating costly



Sanjay Sathe

traditional services like office space and group seminars, which have been found to be of low value to employees, the focus is on aggressively helping workers find a new job. Valuable services such as professional resume writing and personalized support for individuals remain, while companies have the ability to quickly deploy the additional services without dealing with infrastructure issues.”

BusinessWeek has touted Sathe’s approach as making “a lot of sense,” and the San Jose Mercury News concluded, “RiseSmart typifies the valley’s knack for using technology to disrupt standard business practices.”

RiseSmart was also featured in a front-page Wall Street Journal article. The story, “Outplacement Firms Struggle to Do Job,” highlighted RiseSmart as a fresh alternative to traditional outplacement providers, which the story criticized as being costly, ineffective and out of step with the times.

Next Up: Disrupting Recruitment

Just as RiseSmart has disrupted the outplacement industry, it is now taking its unique approach to matching jobs with candidates to recruitment.

“Sourcing candidates is an enormous chokepoint for many organizations,” Sathe said. “We’ve created the

SmartSource solution to help organizations source and screen job candidates significantly faster and more efficiently. And we do so leveraging the same core matching technology that we use on the outplacement side. We have enormous potential for growth as a recruitment solution.”

RiseSmart’s potential for growth has helped it to raise \$11.85 million in venture and angel financing to date. Norwest Venture Partners and Storm Ventures have been the lead investors.

A Heart for People

Sathe is supported by a passionate team of employees based in San Jose, California and Pune, India, who have rallied around the company’s mission.

The team is notable for its diversity. Languages you might hear spoken at RiseSmart include English, Korean, Hindi, Malayalam, Spanish, Portuguese, German, Marathi, Gujarati and Japanese. This workforce, along with RiseSmart’s commitment to helping jobseekers of all backgrounds, earned the company the American Association for Affirmative Action (AAAA)’s Champion of Diversity Award in 2010.

Thanks to its employees, RiseSmart was also named one of the 2011 Best Places to Work in the Bay Area by the Silicon Valley/San Jose Business Journal and San Francisco Business Times. RiseSmart was honored as one of the top 25 companies of its size in the award ceremony at the Hilton San Francisco Union Square in April.

“As a company that is in the business of HR, we are especially proud to be ranked among the most outstanding companies in the Bay Area based on employee ratings,” Sathe said. “We always tell our clients that success starts with how you treat your people, from the time they are hired to the time they leave the organization. This honor demonstrates that this advice is more than talk for us; we practice what we preach.”